



August 24, 2012

To: Joe Yun, Program Manager,
Department of Water Resources, Integrated Regional Water Management

From: Ara Azhderian, Water Policy Administrator
San Luis & Delta-Mendota Water Authority

Re: Comments on Draft Round 2 Planning Grant Funding Recommendations

Dear Mr. Yun,

We appreciate this opportunity to provide comments on DWR's staff draft recommendations for Prop 84 Round 2 Planning Grant Funding. The evaluation of the grant submitted by the San Luis & Delta-Mendota Water Authority, on behalf of the Regional Water Management Group for the Westside-San Joaquin Integrated Regional Water Management Plan (Westside IRWM Plan), suggests that the application failed to provide sufficient justification for several items, including the Work Plan, DAC Outreach, and Budget. The following are responses to those elements of the evaluation.

Evaluation Comment: "Task 2 does not define "continued" outreach or explain what "activities" would occur prior to workshops/milestones."

Response: Consistent with the IRWM Guidelines and the Round 2 Project Solicitation Package, Part B of the Work Plan is supposed to provide "a description of all work that will be necessary to complete the Proposal." Thus, the text of Task 2 (in Part B of the Work Plan) is not intended to describe prior outreach activities. That description is provided in Part A (Current Status in Meeting IRWM Plan Standards) in Item #14 (Stakeholder Involvement), which addressed the status of the adopted plan with respect to two IRWM Standards:

1. A public process that provides outreach and an opportunity to participate in IRWM Plan development and implementation to the appropriate local agencies and stakeholders

"The genesis of the WIWRP was an effort undertaken by the US Bureau of Reclamation, the Water Authority, and other local stakeholders beginning in 2001 to develop an Integrated Regional Plan to provide guidance for future

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water management and planning decisions. The original IRP evolved through a series of stakeholder-driven revisions through October 2003.

A subsequent revision effort began in the fall of 2004 by soliciting ideas for projects that furthered the goals identified in the 2003 Draft IRP. Initial inquiries were made to key Member Agencies' managers and staff whom had expressed interest in updating the 2003 IRP and, a scoping session was held on September 23, 2004. The session produced several project ideas, which were then electronically distributed to the Water Authority's entire membership on September 30, 2004 for consideration and further input.

On February 28, 2005 the Water Authority held its first formal Proposition 50 Integrated Regional Water Management grant application workshop, to filter the many project ideas and assign tasks relative to the IRP update. On March 21, 2005 the Water Authority sent, through traditional means, another notice regarding the effort to revise the IRP, a tentative schedule, and solicitation for comments. The process culminated in the adoption of the WIRWP on May 6, 2006."

2. The process used to identify, inform, invite, and involve stakeholder groups in the IRWM process:

"Since adoption, stakeholders have the opportunity to interact on at least a monthly basis through the Water Authority's existing administrative structure, via meetings of the O&M Technical Committee, the policy-oriented Water Resources Committee, and the Finance & Administration Committee. In addition, ad-hoc working groups are formed as necessary to focus on matters of particular expertise or interest, such as development of the WIWRP, which is guided by a steering committee, which develops recommendations for consideration by the RWMG. In addition, stakeholders may attend and provide comments at regularly-scheduled meetings of the Board of Directors of the Water Authority, which serves as the final decision-making body for the RWMG."

Since a description of initial and ongoing outreach activities was provided in Part A of the Work Plan, the suggestion that the Work Plan failed to "define continued outreach" (in Part B) is unwarranted.

In the same sentence, the evaluation suggests that the description of Task 2 failed "explain what "activities" would occur prior to workshops/milestones."

Task 2 (in Part B of the Work Plan) does not include any discussion of workshops or milestones, However, perhaps the evaluation was referring to the discussion of workshops provided in Task 4, with the following text:

"A series of stakeholder meetings and/or workshops will be held (approximately on a quarterly basis, with dial-in telephone access available to assure broad participation), so that Water Authority member agencies, stakeholders in the Region, and DAC representatives can provide input to Water Authority staff and the consultants working on the Plan Update. Topics to be addressed will include, but not be limited to:

- Schedule and process for the Plan Update
- Potential revisions to plan objectives
- How DAC participation can be expanded and maintained
- Assessment of the region's vulnerability to Climate Change
- Updated analysis of water supply and demand
- Identification, integration, and prioritization of projects
- A preview of the Plan Update (to avoid surprises in the Draft Plan)
- Review of, and comments on, the Draft Plan Update"

From this text, the "activities" that will likely occur prior to the quarterly workshops would seem obvious, including:

- Development of a schedule for the Plan Update
- Identification of draft revised plan objectives
- Development of a proposal to expand DAC participation
- An assessment of the region's vulnerability to Climate Change
- An analysis of water supply and demand
- The identification and prioritization of projects
- Development of a Draft Plan
- The preparation of comments on the Draft Plan

The suggestion that the Work Plan failed to describe the "activities" that would occur prior to workshops is unwarranted.

In addition, the schedule provided in Attachment 5, clearly illustrates what activities will occur between workshops and other milestones (and even more detail was provided on an annotated version of the schedule that was also attached).

Evaluation Comment: "Task 9, sufficient detail is not provided to demonstrate that the work will result in an IRWM Plan that meets the IRWM Plan Standards."

Response: Part B of the Work Plan describes extensive detail on 12 Tasks that would inform the proposed update to the Adopted Plan. Repeating the detail provided in the other 11 tasks within the body of Task 9 would seem unnecessary.

Part A of the Work Plan contains a complete evaluation of the extent to which the adopted plan meets current IRWM standards, specifically identifying those standards that are met in the adopted plan and those standards that are not currently met by the adopted plan. As Part B Work Plan is intended to provide "a description of all work that will be necessary" to prepare an updated Plan, Task 9 listed the new (or revised) material that would need to be added to the adopted plan to meet current IRWM Plan Standards. The repetition of which IRWM Standards

were already included in the adopted plan (within the description of Task 9) would not be consistent with the guidance for Part B of the Work Plan. Since Part A of the Work Plan provides a complete evaluation of all current IRWM plan standards, and Task 9 (in Part B) specifically identified the material that would need to be added to the plan, the Work Plan did explain how a updated plan would meet current IRWM Standards.

Evaluation Comment: “Task 8 constitutes by far the largest task cost share but has less detail relative to other tasks. Furthermore, as Task 8 is currently described it is not eligible for Planning Grant funds.

Response: Task 8 proposes to provide technical assistance to DAC project proponents, because:

“As noted above [in Task 7], given the amount of detail proposed to be included in the prioritization framework, it is anticipated that the ranking of some DAC projects may be adversely impacted by the lack of sufficient technical information.”

The description of Task 7 details the project ranking criteria and prioritization process. Given knowledge with the 22 DAC projects that were previously identified in the adopted plan (which are listed in Task 8), it is likely that most of the DAC projects to be identified in a new project solicitation process will have limited technical information available. Because of the breadth of the project ranking criteria (that must be included to meet current IRWM plan standards) it is likely that many, if not all, DAC projects will receive low scores (when scored using the new criteria), and thus DAC projects could be ranked low in a new list of prioritized projects. As a result, DAC projects may not be considered for inclusion in any future implementation grant application that could be submitted by the Westside-San Joaquin IRWM region.

The suggestion that Task 8 is “not eligible” for planning grant funds is curious, given the evaluation comments on several other planning grant applications that included “feasibility studies” for DAC projects, as none of those evaluation comments on those proposed suggested that “feasibility studies” for DAC were not eligible for a planning grant funds, and several of those proposals received sufficient points to be recommended for funding.

The technical assistance proposed in the Westside-San Joaquin grant application proposed to provide: analysis of the technical feasibility of the project, refinement of the work plan, budget, and schedule; and quantification of water supply, water quality, flood damage reduction and any other benefits. It appears that there is little difference between “technical assistance” and the “feasibility study” other than semantics.

Evaluation Comment: “Task 8 states that it will provide technical assistance (via consultant?) to, as many as, seven DAC projects that did not score well in the region’s IRWM Plan project prioritization process to help make the projects more competitive for future implementation grant applications. Potential services are bulleted, but specific activities are not detailed.”

Response: The proposal budget (provided in Attachment 4) makes it clear that the proposed technical assistance would be provided via a consultant. The statement that the DAC projects “did not score well” is not correct. As noted above, based on past experience, it is likely that most DAC projects will receive low scores (when scored using the new criteria in a future

prioritization process), and thus many, if not all DAC projects will be ranked low in a new list of projects. Because the supporting information for DAC projects was not reviewed for the previously-identified projects and is not available for future DAC projects, it is not currently feasible to identify specific tasks that will be undertaken as part of the proposed technical assistance.

Evaluation Comment: “It is not clear how this work improves or makes the IRWM plan standards compliant.”

Response: Task 8 proposes to provide technical assistance to DAC project proponents. Without this assistance, DAC projects may not be considered for inclusion in any future implementation grant application that could be submitted by the Westside-San Joaquin IRWMP. By providing technical assistance, the Westside IRWMP could better address the critical water needs of DAC communities.

Evaluation Comment: “It appears to be the formation of a capacity grant which DWR is not permitted to fund. Nor can DWR provide funding to a region to prepare for another State grant solicitation.”

Response: As noted above, the adopted plan already includes 22 DAC projects that were identified in the development of that plan. Thus, DACs in the Westside-San Joaquin IRWM region already have the capacity to identify projects that will directly benefit those communities. The proposed technical assistance is not intended to prepare a future grant application – it is to assure that projects have adequate supporting information to be scored fairly in the internal project prioritization process. DWR’s apparent ability to fund “feasibility studies” for DAC projects suggests that this activity is something DWR can fund. In addition, DWR’s DAC Pilot Assistance Program, which provided approximately \$2 million to four regions via directed funding, suggests that DWR does have the ability to fund activities such as technical assistance.

Evaluation Comment: DAC Involvement The criterion is less than fully addressed and documentation is insufficient. DAC outreach is specifically addressed in Tasks 3 and 8, and is also addressed as a part of Tasks 4, 7, 9, and 10, with little explanation as to how DAC involvement would occur or will be sustained.

Response: As with evaluation of the Work Plan, the components of the DAC outreach process should have been evaluated based on the entirety of the work plan, including Section A, which provided a discussion of the DAC outreach activities that have already occurred. Part B of the Work Plan addressed the additional activities that would occur in order to prepare an Updated Plan that would meet current IRWM Standards.

In addition, Part A provided a description of ongoing opportunities for “stakeholders” to participate in ongoing planning activities.

“...stakeholders have the opportunity to interact on at least a monthly basis through the Water Authority's existing administrative structure, via meetings of the O&M Technical Committee, the policy-oriented Water Resources Committee, and the Finance & Administration Committee. In addition, ad-hoc working groups are formed as necessary

to focus on matters of particular expertise or interest, such as development of the WIWRP, which is guided by a steering committee, which develops recommendations for consideration by the RWMG. In addition, stakeholders may attend and provide comments at regularly-scheduled meetings of the Board of Directors of the Water Authority, which serves as the final decision-making body for the RWMG.”

Although not explicitly stated, DAC representatives are clearly stakeholders and thus have an opportunity to participate in a range of activities that would enhance and sustain their participation in ongoing planning activities.

Evaluation Comment: For example, on Task 3, pg 10-11 (Continued Focused Outreach to DACs), it is stated that Community Water Center and Self Help Industries will be utilized, but there are no details on what these organizations will be doing or their approach.

Response: The text of the work plan states:

“Assistance to keep previously-identified DAC representatives involved in the planning process and to identify opportunities to expand DAC participation will be provided by two environmental justice (EJ) groups that serve all, or parts, of the region: the Community Water Center and Self Help Industries, both of which have already committed to assisting in this task. Their contacts, knowledge of DAC communities, and experience with outreach methods will be invaluable to this focused DAC outreach effort.”

The Community Water Center and Self Help Industries will be integral to the DAC outreach and will be involved in all of the DAC outreach activities described in the Work Plan.

Again, we appreciate this opportunity to comment. Please feel free to contact me if you should have any questions.

Sincerely,



Ara Azhderian
Water Policy Administrator
San Luis & Delta-Mendota Water Authority